

NOTICE FROM THE MAYOR AND CITY COUNCIL

*about housing
legislation that will
impact growth
in Morgan Hill*



New State Housing Law (SB 330) permits all housing and will suspend the Morgan Hill voter approved growth control system beginning January 1, 2020.

On October 9, 2019, Governor Gavin Newsom signed into law Senate Bill 330, "The Housing Crisis Act of 2019." The following information is provided to the Morgan Hill community to keep you informed.

About SB 330

As enacted, SB 330 is intended to accelerate housing construction across the State of California.

How does SB 330 affect Morgan Hill?

SB 330 suspends Morgan Hill's voter approved growth control system, Measure "S", for 5 years. Under the new legislation the City cannot manage the pace or number of housing permits issued each year.

SB 330 allows:

- Unlimited residential permits
- Expedited permitting processes

SB 330 restricts/limits:

- Public hearings and community outreach
- Subjective design judgments such as look, feel, and character of design. SB 330 requires only objective design criteria when permitting a development
- Any requirements which would limit a development from constructing to maximum density
- Certain development fees
- Certain parking requirements normally required for projects constructed near bus/train transit corridors

Other New Housing Legislation

Tenant Rent Protections

Tenants will be provided new rental protections by AB 1482 and SB 329. Beginning January 1, 2020, all residential properties with 2 units or more, that are 16 years or older, will be restricted from raising annual rents more than 5% + inflation. In addition, landlords will have certain obligations to provide extended notice of rent increases. Landlords will be limited to "just cause" eviction of tenants, unless the property is undergoing extensive rehabilitation, or a family member is intending to occupy the unit. In these cases, relocation payments to tenants may apply. This bill is effective for ten years, sunseting in 2030.

Accessory Dwelling Units (ADUs)

Accessory Dwelling Units (ADUs), sometimes called “Granny Flats,” received development assistance and streamlining from local requirements/processes through four major bills, AB 881, AB 68, SB 13 and AB 670. Collectively these laws limit local government review and regulation in the following ways:

- The City cannot require a minimum lot size or floor area ratio (FAR) requirement for placement of an ADU
- ADUs cannot be required to provide a side yard or rear yard setback greater than 4 feet
- Two (2) ADUs are permitted per each existing single family/multifamily site, in addition to the existing unit/units
- The City must permit up to 1,200 square foot units, with heights of up to 16 feet
- No replacement parking can be required for a garage or carport conversion, or a new unit within a half mile of transit including bus stop and train station
- The City cannot require owner-occupancy for any units
- The City must complete a “ministerial” or staff-only review of the development on single-family and multi-family lots within 60 days. No public meetings or notices can be required
- No impact fees can be charged/collected on units less than 750 square feet; only 25% of normal impact fees can be charged/collected if ADU is greater than 750 square feet
- Homeowners’ Associations may not limit ADU construction; they may continue limited design review which does not alter side yard or setback, height or size allowed by law

Density Bonus

State Density Bonus Law (AB 1763) also saw some significant changes. 100% affordable housing projects near transit (train or bus) may seek unlimited additional density than what is established by the General Plan and anywhere else in the City may be granted up to 80% additional density. In addition, projects may receive waivers/exemptions from parking, side yard, setback and height requirements. The City has no authority to disapprove a project which seeks to use the density bonus.

Questions?

If you have questions on any of this housing legislation and its impacts on Morgan Hill, please contact the City’s Development Services Center at 408-778-6480.



For more information:
morganhill.ca.gov